

FIRST QUARTER

2011



 Interceramic®

This document contains forward-looking statements which reflect the Company's views about future events and financial performance. Actual events and results could differ materially from these statements. Readers are cautioned not to place undue reliance on these forward looking statements, which speaks only of their dates and the Company undertakes no obligation to update or revise any of them.

Interceramic releases First Quarter 2011 Results

The first quarter of 2011 has opened well for Interceramic, with a good level of sales for what is traditionally a slow quarter. Again anchored by the vitality of the Mexican market, first quarter 2011 consolidated sales of US \$112.9 million were 9.4 percent higher than consolidated sales of US \$103.2 million achieved in the same quarter of last year. Gross margin was more or less consistent over the periods, as it has been over the last few quarters, ending at 34.2 percent compared to 34.8 percent in the first quarter of 2010. A number of modest reductions in various sales, administrative and other operating expenses led to a much better operating income for the first quarter of 2011, and at US \$5.4 million our operating income bested the US \$1.7 million posted in the first quarter of 2010 by more than two hundred percent. While Mexico continues to power Interceramic's engine room, our consolidation and cost cutting in the United States has helped to keep matters in check in that deeply troubled market. On the other hand, our recent venture in China ("ICC") is already showing great promise, with a substantial number of domestic entrepreneurs already signing on to be "ICC" distributors in the country. In these difficult times, expectations must always be tempered by caution, but we are increasingly optimistic about the future of our China initiative and look forward to what it might bring us.

On the foot of our boosted operating income (which was 4.8 percent of sales for the quarter, compared to just 1.7 percent in the first quarter of last year) our EBITDA for the first quarter of 2011 was US \$11.9 million, a 40.0 percent increase over EBITDA of US \$8.5 million for the first quarter of 2010. The Company's key financial ratios are getting more and more healthy, and a debt service coverage ratio of 5.6 and a debt to EBITDA ratio of 2.9 underscore our financial recovery. During the same quarter last year, those ratios stood at 3.1 and 4.2, respectively.

Looking at our two primary markets, sales in Mexico for the first quarter of 2011 (as measured in Mexican Pesos) of Ps 926.0 million bettered sales in the first quarter of 2010 of Ps 851.1 million by 8.8 percent. Sales in the United States continue to form a decreasing percentage of the Company's overall sales, but at US \$36.0 million for the first quarter this year, dropped less than one percent over sales of US \$36.3 million recorded in the first quarter of 2010. During the first

quarter of 2011, we continued our consolidation and cutback efforts in the United States, closing two of our "Interceramic Marble Collection" stores and completing the sale of a further seven company-owned locations to Italian tile manufacturer Marazzi.

Mexico clearly is our core, foundation market, and we will further focus on opportunities and potentials in our home. China shows intriguing possibilities, and as mentioned, we can't wait to see what develops over the course of time in what now seems to be a market of endless possibilities. At the same time, we will keep a sharp and critical eye on the United States, and make adjustments or initiatives as well feel may be warranted by the ever uncertain circumstances there. This is Interceramic's first quarter reporting under International Financial Reporting Standards, and to make comparisons meaningful, we have restated our 2010 results to the same standards. As always, we thank our investors, our customers and our employees for their continued support.

Oscar E. Almeida
Honorary Chairman

Víctor D. Almeida
Chairman of the Board & CEO

RELEVANT FINANCIAL INFORMATION

INCOME STATEMENT (Thousands of Nominal US Dollars, except per Share data)	Jan-Mar '11	Jan-Mar '11 Vs. Jan-Mar '10
Net Sales	112,876	9.4%
Cost of goods sold	(74,315)	10.4%
Gross Income	38,561	7.4%
Operating Expenses	(32,832)	(3.1%)
Other Expenses, Net	(350)	21.1%
Operating Income	5,379	211.8%
Integral Cost of Financing	3,567	(31.7%)
Interest Expense	(1,790)	(26.8%)
Interest Income	332	2.4%
Foreign Exchange Gain (Loss)	5,024	(31.6%)
Income Tax	(3,870)	52.3%
Deferred Income Tax	(34)	(26.9%)
Net Majority Income	4,229	17.0%
Minority Income	812	9.1%
Weighted Average Number of Shares Outstanding (Thousands)	162,664	0.0%
EPS	0.03	17.0%

BALANCE SHEET (Thousands of Nominal US Dollars)	March 2011	Mar-11 Vs. Mar-10
Current Assets	200,698	0.9%
Cash Equivalents	21,980	(7.3%)
Fixed Assets	200,709	(6.0%)
Other non-current Assets	15,531	(1.6%)
TOTAL ASSETS	416,938	(2.6%)
Short-term Bank Debt	22,703	46.5%
Other short-term Liabilities	42,281	0.2%
Long-term Bank Debt	117,625	(17.5%)
Deferred Taxes	32,359	(6.6%)
Other long-term Liabilities	8,526	27.8%
TOTAL LIABILITIES	223,495	(7.5%)
Majority Shareholders' Equity	168,453	3.9%
Minority Interest	24,990	2.0%
TOTAL SHAREHOLDERS' EQUITY	193,443	3.7%

Note: "Unless otherwise indicated, all financial information are in accordance with International Financial Reporting Standards as determined by the International Accounting Standard Board ("IASB") and for purposes of clarity, information is also presented in nominal US Dollars dividing the nominal pesos for each month by the applicable average exchange rate for that month."

RELEVANT FINANCIAL INFORMATION

INCOME STATEMENT (Thousands of Pesos except per Share data)	Jan-Mar '11	Jan-Mar '11 Vs. Jan-Mar '10
Net Sales	1,359,822	3.7%
Cost of goods sold	(895,266)	4.7%
Gross Income	464,556	1.8%
Operating Expenses	(395,735)	(8.3%)
Other Expenses, Net	(4,235)	13.3%
Operating Income	64,586	203.7%
Integral Cost of Financing	42,886	(34.2%)
Interest Expense	(21,581)	(30.8%)
Interest Income	4,003	(2.8%)
Foreign Exchange Gain (Loss)	60,465	(34.4%)
Income Tax	(46,647)	44.2%
Deferred Income Tax	(406)	(30.8%)
Net Majority Income	50,640	15.1%
Minority Income	9,778	3.0%
Weighted Average Number of Shares Outstanding (Thousands)	162,664	0.0%
EPS	0.31	15.1%

BALANCE SHEET (Thousands of Pesos)	March 2011	Mar-11 Vs. Mar-10
Current Assets	2,392,321	(3.0%)
Cash Equivalents	262,005	(10.9%)
Fixed Assets	2,392,454	(9.6%)
Other non-current Assets	185,124	(5.4%)
TOTAL ASSETS	4,969,898	(6.4%)
Short-term Bank Debt	270,624	40.8%
Other short-term Liabilities	503,987	(3.7%)
Long-term Bank Debt	1,402,090	(20.7%)
Deferred Taxes	385,724	(10.2%)
Other long-term Liabilities	101,632	22.9%
TOTAL LIABILITIES	1,889,446	(17.2%)
Majority Shareholders' Equity	2,007,954	(0.1%)
Minority Interest	297,886	(1.9%)
TOTAL SHAREHOLDERS' EQUITY	2,305,841	(0.3%)